



July 2020

Response from Hindustan Unilever

Nabha factory of Hindustan Unilever Limited (HUL), produces essential health food drinks marketed under well-known brands such as Horlicks and Boost. A nationwide lockdown was declared by the Government of India on account of Covid19 effective 25th March 2020 hence operations at Nabha Factory of Hindustan Unilever Limited (HUL) were shut from 25th March 2020 until 31st March 2020. The company paid full wages to all workers. On 1st April 2020, Nabha Factory of Hindustan Unilever Limited (HUL) being a public utility service was approved by the Government of Punjab to operate despite the lockdown on account of Covid19, to help consumers and society with essential items during the pandemic impacted times.

The factory resumed operations post approval from 1st April 2020 which was proactively communicated to the union and the workers. However out of 1400 employee an average of only 150 workers turned up for work until 23rd April. Hence the factory could only produce 20% of volume. With effect from 23rd April, all workers of B Shift (evening shift), under instigation of the union, stopped coming to work resulting into a complete loss of production. The factory management immediately called a union meeting on 23rd April'2020 and discussed with union on the said issue, and the union was clearly advised to resume plant operations. While the union did not respond on resuming the operations however it did raise the issue of the pending long term wage settlement (LTWS) which is pending before an Industrial Tribunal. The factory management called for another meeting on 24th April 2020 and clearly communicated to the union that we were an essential service and it was our responsibility to run operations in the interest of the community and country at large. The factory management also emphasised continuous dialogue with the union to resolve the settlement issue, provided operations are restored.

However, the workers continued to be absent from work. Left with no other option, the management had to put a notice of 'No Work -No Pay' on 28th April'20 and accordingly payment of wages for the month of April was made to workers for the days they were present as per the law of the land. Effective 4th May'20, the workers resumed their work and effective 11th May engagement with union started to discuss the long-term settlement issue.

On 20th May 2020, the union conducted a gate meeting with fellow workers and asked them to work to rule starting from the B shift (Evening Shift) operations which resulted in production loss. Later in the day, the union gave a letter alleging violations of the earlier settlements and deduction of the wages for the month of April'20 which was done following the 'No work - No Pay' notice given the mass absenteeism. The management replied to the letter appropriately and requested the labour authorities for conciliation and accordingly conciliation took place on 22nd May and 23rd May 2020. However, this did not result in conclusion.

All workers in the Nabha factory later resorted to an illegal strike at the behest of union from the night shift of 23rd May 2020 resulting into total shutdown of the plant operations, despite the effort made by both the management and the labour authorities to resolve the issue by way of dialogue.

On 25th May, both management and union were called for a joint meeting by Additional Labour Commissioner and SDM (Sub-Divisional Magistrate) at Nabha during which the union raised the issue of the pending Long Term Wage settlement and implementation (LTWS) of 'No Work- No Pay'. The management clarified that LTWS is under litigation hence pending in Court. The management remained ready to negotiate however, the union walked away from the meeting.

On 28th May, a meeting was organized at the District Collectors (DC's) office Patiala. The union was advised by the DC to restart the operations and that he would ensure all the issues were addressed in a timebound manner. Many meetings were also conducted with the Asst. Labour Commissioner in order to resolve the issue but were also unsuccessful. The Additional Chief Secretary to Government of Punjab – Department of Labour - conducted a meeting along with Labour Commissioner on 8th June 2020 however, resolution did not take place.

Given the indifferent approach of the union to solving issues by way of dialogue and the fact that notice for strike was not given by union, the Government of Punjab declared the ongoing strike at Nabha factory of Hindustan Unilever Limited (HUL), as illegal on 10th June 2020. This was informed to the company through an order passed by the Additional Chief Secretary to Govt of Punjab, (Department of Labour), issued on June 10, 2020.

With our principles based approach and consistent position that the factory operations must be restored for any negotiation and that the management will extend wholehearted support on closure of pending issues through negotiation; the matter was finally resolved by way of an MoU along with the labour authorities and the strike was called off by the union from the night shift of 19th June 2020.

HUL has always believed in fair treatment, strong labour relations and competitive wages. We have long-standing and good relationships with the unions and people

of our other 31 factories in India. HUL gives the utmost priority to the safety and health of our workers and has implemented a world-class hygiene, social distancing and sanitisation measures fulfilling the guidelines issued by the Ministry of Home Affairs, Government of India, and local administration.